

MINUTES

1



Directorate:	Corporation	
Minutes of:	HCUC Governing Body	
Date:	Tuesday 10 July 2018	Time: 5.30pm
Venue:	A004/A005 – Uxbridge College, Uxbridge Campus	
Present:	Nicholas Davies	Governor (<i>Chair</i>)
	Mark Billington	Governor
	Steven Cochran	Governor (<i>Vice Chair</i>)
	Mike Cox	Governor
	Tracey Critchley	Staff Governor (Harrow)
	Nasim Khan	Governor
	Lucy Khennache	Staff Governor (Uxbridge)
	Alasdair MacLeod	Governor
	Steve Owen	Governor
	Mariann Rand-Weaver	Governor
	Laraine Smith	Governor (<i>Group CEO and Principal Uxbridge</i>)
Apologies:	Leighton Ngege	Student Governor
	Ketan Sheth	Governor
	Antonio Weiss	Governor
	Sally Westwood	Governor
	Darrell DeSouza	Vice Principal Uxbridge
	Dylan McTaggart	Vice Principal Harrow
In attendance:	Pat Carvalho	Deputy CEO/ Principal Harrow
	Sara Sands	Group Director – Finance & Resource Planning
	Tracy Reeve	Clerk to the Corporation

Meeting with Members of Stakeholder and Scrutiny Committees: In advance of the Corporation meeting the HCUC Corporation met with the members of the Harrow and Uxbridge Stakeholder and Scrutiny Committees (SSCs) to discuss the HCUC Strategic Plan 2018-2021 which had now been formally approved by the Corporation (May 2018). The Principal gave attendees a detailed presentation on the Strategic Plan and the proposals on how it would be communicated and promoted to internal and external stakeholders. Governors agreed that a lot of progress had been made during the first year post-merger and that the College Management Team had achieved a great deal. Moving forwards the priorities would now include ensuring a consistent culture and approach across all campuses within HCUC with all staff working towards the same values and strategic priorities. The meeting agreed that the new HCUC staff appraisal process which had just been launched would help the commitment to work towards the new HCUC values as defined in the Strategic Plan.

[SSC members left the meeting.]

HCUC Governors' pre-meeting

In advance of the formal meeting the Governors held a short pre-meeting with no officers of the College present, (the Clerk was present as was the Principal in her role as Governor). There were no specific items that any of the Governors wanted to raise outside of the formal meeting.

Student Feedback Presentations

Governors noted the 'You Said We Did' presentations from each of the Colleges.

Uxbridge: Issues during the year had existed around the following: the price of the food in the refectory

MINUTES

and the availability of vegan and vegetarian options; the smoking area being too small; the availability of textbooks in the LRC for research purposes; provision of more sporting activities for girls and more sporting activity for all at the Hayes campus; gaps in timetabling; the availability of laptops for use in the classrooms; the speed of the college 'app'; the availability of a medical room for First Aid treatment; communication around the Run Hide Tell Strategy; lack of parking; and Wi-Fi coverage at Hayes.

Harrow: Issues raised during the year had included: the use of credit/ debit cards in the canteen; the need for more water fountains; students desire to take part in the lesson observation process; the need for a vending machine at Whitefriars and Skills Centre. Positive feedback had been received on improvements to the toilets and other improvements to the buildings. The positive addition of the designated quiet room at Harrow on the Hill Campus was noted and the meeting was pleased to note that a similar space would be designated at Harrow Weald now the new H&SC building was open; this would not be one specific room but would rotate depending on availability of rooms. Members were pleased to note the positive feedback on feeling safe within the College; learners had noted the improvements and ongoing work being done by the college and the security team. The improvement to the Wi-Fi provision was also noted.

The HCUC management response and actions in response to all of the identified issues were noted by the meeting.

The 'You Said... We Did...' presentation was NOTED.

1. Apologies for absence

Apologies had been received from Leighton Ngenge, Ketan Sheth, Antonio Weiss and Sally Westwood. The meeting noted that Darrell DeSouza and Dylan McTaggart were not at the meeting as they were attending a training course. The meeting welcomed the new Staff Governor from Uxbridge College, Lucy Khennache who had been appointed since the last meeting.

2. Notification of any urgent business Members may wish to raise under any other business, and any items to be taken as read that Members may wish to discuss

There was no other business notified.

3. Notification of interests Members may wish to declare relating to any item

No specific interests were notified.

4. Minutes of the Governing Body Meeting held on 15th May 2018

The Minutes were APPROVED as an accurate record and signed by the Chair.

5. Matters arising from Minutes of the Governing Body Meeting held on 15th May 2018, which were not agenda items.

There were no matters arising that were not already covered by the agenda.

ITEMS FOR DECISION

6. Chair and Principal's Update

Chair's Update

The Chair informed the meeting that he had attended the opening of the new Health and Social Care Building at Harrow Weald earlier in the day; he commended the new building and the positive impact to the Weald Campus.

CEO/ Principal's Update

LS had no further update for the meeting other than was included in the agenda items.

NOTED

MINUTES

7. Governing Body Meeting Schedule 2018/19

The Clerk presented the final timetable of Corporation and sub-committee meetings as well as Stakeholder and Scrutiny Committee dates for 2018/19; this had been considered in draft format at the last meeting. The meeting noted that this followed a similar format to the current year but the early October meeting for Quality Curriculum and Standards Committee had been removed; it was deemed too early in the academic year to consider results and final achievement data.

The Meeting Schedule 2018/19 was APPROVED

8. Governing Body Draft Work Plan 2018/19

The Clerk (TR) presented the annual work plan for HCUC which outlined the business to be considered by the Governing Body, sub-committees of the Corporation and the two colleges Stakeholder and Scrutiny Groups. TR confirmed that this had been updated to reflect any compliance requirements and to include any outstanding actions. **The Principal informed the meeting that further thought would be given to the balance of work between the Stakeholder and Scrutiny Committees and the Corporation sub-committee covering Quality Curriculum and Standards.** LS highlighted that there was an ongoing need flagged by Ofsted for the Corporations of larger College groups to maintain a close focus on local quality issues at each constituent College. MRW highlighted that the work plan needed to reflect the regulatory regime around quality assurance of Higher Education (HE) – with the enhanced responsibility for the Corporation to undertake an Annual Provider Review (APR) for HE. The meeting agreed that the sign off for the annual HE assurance statement 2017/18 would be handled the same way as it had been for 2016/17. The meeting agreed to delegate authority for the sign-off of the assurance statement to the QCS Committee; which could then be signed by the CEO and submitted to meet the December 2018 deadline. The HE assurance and supporting information would be taken to the December 2018 Governing Body meeting for ratification.

Subject to the addition of the HE Annual Provider Review to the QCS agenda in November 2018 (and to the December 2018 GB agenda) the Annual Work Schedule for Corporation and sub-committees 2018/19 was APPROVED. [The Clerk would amend to reflect this change and recirculate.]

9. Updated Code of Conduct for HCUC Corporation Members

The meeting was reminded that the HCUC Code of Conduct for Corporation members was reviewed and update on a biennial basis. It was last revised at the point of merger 1 August 2017 so was not due for review until 2019. However, an updated HCUC Code of Conduct was presented for approval to reflect the following:

- The revised Financial Memorandum with the ESFA.
- The new Mission, Public Value Statement, Strategic Objectives and Values included in the HCUC Strategic Plan 2018-2021.

The Clerk gave the meeting assurance that the HCUC Code of Conduct as presented was based on a 'good governance standard' template for FE Corporations.

The HCUC Code of Conduct for Corporation Members was APPROVED as presented

10. Privacy Statement for Corporation Members

The meeting noted the privacy Statement as previously considered in draft format (May 2018). The Clerk asked members to sign and return a copy of this statement with regard to use of photographs.

The HCUC privacy Statement for Corporation Members was RECEIVED.

11. Search Committee Recommendation

The meeting noted the report which detailed the recent process undertaken to identify a new Staff Governor for Uxbridge College. The meeting considered and approved the recommendation from the

MINUTES

Search Committee that Lucy Khennache be appointed as a member of the HCUC Corporation for a four-year term of office commencing on 15th June 2018.

The meeting APPROVED the appointment of Lucy Khennache as Uxbridge Staff Governor for a four-year term of office commencing on 15th June 2018.

12. Pay Award

The meeting considered a proposal to award the proposed 1% cost of living pay award to all HCUC staff, except those on 'protected salaries' from 1st August 2018. The meeting noted the process which was still underway for the AoC to make a salary recommendation; LS reminded the meeting that UC had not traditionally waited for this recommendation. The expected AoC recommendation was 1% as this was the 'public' sector standard' in place for the last few years. Governors were reminded that HCUC was in a comparatively strong position financially, although the annual funding settlements to the sector continued to be challenging. The Principal confirmed that it was the SLT view that the 1% Cost of Living (COL) increase should be applied for 2018/19 to all staff except those on protected salaries; this would cost circa £200,000. Governors noted the following:

- The comparatively strong position of HCUC – quality and finances.
- HCUC pay levels were currently broadly in line with other colleges and that there was merit in taking steps to maintain this comparability, especially given staff recruitment & retention challenges.
- The challenges that staff right across HCUC had experienced during the first year of merger, and the fact that reliance on goodwill has been at a premium.

The meeting also noted the history of COL pay awards at Uxbridge College over the previous 6 years. It was confirmed that the cost of implementing the proposed 1% increase in August 2018 had been included in the HCUC Budget 2018/19. The meeting was assured that this matter had been discussed in detail at the Resources Committee on 20th June 2018 and the members were recommending the 1% increase.

The proposal for the 1% cost of living increase to be paid to all HCUC staff (including Senior Post-holders), apart from those on protected salaries, from 1st August 2018 was APPROVED.

13. HCUC Budget 2018/19 & Plan 2019/20 – 2020/21

The GDFRP (SS) presented the report to the meeting and confirmed that this final version of the budget had been considered and agreed at the College Senior Leadership Team (SLT) meeting during the previous week. The draft budget and plan had been considered in detail at the Resources Committee meeting on 20 June but there had been several changes since this was approved at the meeting. AMcL (Chair of Resources) gave the Corporation members assurance that Resources Committee members had received an update since their meeting which explained the negative movement in the Year-End outturn 2017/18 due to increased costs during the current year; staff costs, legal fees and annual review costs. SS gave the meeting a PowerPoint presentation which highlighted the key elements of the End-Year Out-turn 2017/18, Budget 2018/19 and Plan Years 2019-2021. This presentation backed up the detailed HCUC budget and plan along with a comprehensive commentary which had been circulated in advance of the meeting.

- **HCUC Forecast Final out-turn 2017/18**

The revised forecast reported an operating deficit for the period of £445,000 compared to the previous forecast deficit of £883,000 (positive variance of £438,000). The detailed end-year commentary with a line by line variance report was taken as read. SS highlighted the following:

- Cash balance at £18,249,000 compared with mid-year forecast of £17,632,000
- Reserves at £51,463,000
- Financial Health Rating of 'Outstanding'
- Key performance indicators (KPIs):
 - EBITDA (Earnings before interest, tax, depreciation and amortization) 9% (compared with 15% at Uxbridge College in prior year). Governors were reminded that this was essentially a measure of 'operating profit'.
 - Staffing as a percentage of income at 64% (65% prior year).

MINUTES

5

- Cash days in hand 133.4 (127.8 in 2016/17)
- Current ratio: 2.01 (2.37 prior year)
- Borrowing as a percentage of income at 5% (same as prior year).
- HCUC had spent £7,349,000 on capital works during 2017/18 as follows:
 - £4,499,000 on the LRC, Health and Social Care Building, Armstrong Building and enabling works at Harrow and Weald campuses.
 - £850,000 on heating and windows at Hayes.
 - £600,000 on summer works throughout the campuses; the meeting sought and was given further clarification on what was included in the summer works programme.
 - £1,000,000 on IT, mobile devices and smartboards. The meeting sought, and was given confirmation that expenditure on some smaller IT items was accounted for within the P&L account rather than capital.
 - £350,000 on curriculum and service area equipment.

Governors expressed concern that the marketing budget had been underspent during the year; they asserted the need to keep a strong market presence in light of the flat demographics currently affecting the FE sector. The meeting commended the strong end-year performance ahead of forecast and noted that the College's score on the SFA financial health scorecard was 290, out of a maximum 300; so was a very strong 'outstanding' score.

Budget 2018/19

The detailed budget and commentary was considered by the meeting; it was noted that an operating surplus for the period was now budgeted at £761,000 compared to the approved plan (approved in February 2018) of £494,000. Members were assured that the College would maintain its SFA financial health rating of Outstanding, based on the budget as presented. GDFRP highlighted the following:

- Cash balance was now budgeted at £15,715,000 compared with the planned £18,983,000. This reduction was due to the increase in capital expenditure offset by an improved out-turn 2017/18.
- Reserves at £52,178,000:
- KPIs for 2018/19 (compared to the plan 2018/19):
 - EBITDA: 11% (11%)
 - HCUC staffing as percentage of income at 64% (67%). Harrow would be at 62% (72%) and Uxbridge at 64% (65%)
 - Cash days in hand at 112.7 (138.3)
 - Current ratio of 2.18 (2.69)
 - Borrowing as percentage of income at 4% (3%)

Income

- *Agency (SFA and EFA) Recurrent Funding:* The budget was based on 68 fewer 16-18 learners than the current year but this had resulted in an increased allocation of £75,000 compared with the current year. There had been no change in 19+ agency funding compared with 2017/18 but the plan had included a decrease of 5%). The total classroom based income for all ages was now budgeted at £38,128,000 compared to the planned £36,925,000. SS confirmed that the budget included a provision for non-achievement of £400,000.
- *Agency Income:* The allocation for Work Based Learning was based on profiles and assumed similar levels of carry over as 2017/18. No partner delivery was assumed.
- *Learner Support/ Bursary Fund:* No change from plan at £1,200,000
- *Free School Meals:* The allocation had been higher than the current need at £222,000 (£168,000 expenditure in 2017/18).
- *HEFCE Income:* A positive variance against the plan for HE income moving to £1,540,000 (£1,453,000 in plan). Within this headline HE Fees income was up and the HE Grant income was down.
- *Additional Learning Support (Element 2 and Local Authority):* ALS Element 2 income had increased from £1.4m to £2.27m to reflect the higher number of high needs learners at both Harrow and Uxbridge (this would rise to 240 from the current year's figure of 196). The total income including the amount recoverable from the local authorities would now be £5,295,000 with a net figure of £1,665,000 once staffing costs were deducted.

MINUTES

Employee Costs

Members were reminded that the budget for Employee Costs assumed that all posts were filled 100% of the time, which was not usually the case; however, a provision of £1,050,000 had been included to account for efficiencies (£650,000 UC and £400,000 HC). SS confirmed that the budget also took account of the proposed restructure. The budget included a consolidated 1% increase for all staff not on protected salaries. It also included a 2% increase in employers LGPS pension contribution from 1 August 2018 and a 2% increase in TPA contributions from April 2019. The apprenticeship levy of 0.05% was included at £126,000 (15 apprentices). The budget for employee costs was £31,416,000 against the planned £31,418,000 (positive variance of £2,000) this was a reflection of the reduction in post numbers or fractions in line with curriculum or business support needs. The meeting noted that staff costs as a percentage of income in the 2018/19 budget were 64% compared to 67% in the plan.

Non-Pay Expenses

SS confirmed that all curriculum expenses (staffing and non-staffing) had been rigorously challenged through the course costing model. Total expenses including depreciation were budgeted at £15,233,000 compared with the planned £14,963,000. Highlights were:

- *Estates*: A positive variance of £203,000 with a budget of £3,496,000 against the planned £3,699,000. The meeting noted that this reflected savings from improved contract values for cleaning (saving £108,000), security (saving £56,000) and maintenance and minor works (saving £28,000) which had all been retendered by HCUC.
- *Finance*: An adverse variance of £395,000 against the planned £1,443,000. This large variance was due to: the reduction in efficiency savings of £650,000 to £200,000. This accounted for further savings from tenders still to be completed and general merger synergies. Offset by savings to audit costs, IT Services and Other.

Capital

The budget for capital spend during 2018/19 included the following:

- £650,000 for completion of the LRC and Health & Social Care Building at Weald
- £2,500,000 for the refurbishment of the Newton Building at Weald
- £400,000 for enabling works across HCUC
- £540,000 for commencement of Institute of Technology building
- £1,550,000 for other building and estates work
- £1,964,000 for IT and equipment required by curriculum areas

Plan Years 2019/20 and 2020/21

SS confirmed that the income and expenditure plans for 2019/20 and 2020/21 had been reworked to reflect the proposed budget for 2018/19. Members noted that the college cash position and current ratios would remain strong throughout the two plan years. It was noted that the plan years 2019/20 and 2020/21 showed operating surpluses of £744,000 and £624,000 respectively. The stand-still assumptions for 16-18 and 19+ learner number growth and rate of funding were noted. The plan years assumed 5% growth in WBL funding under the apprenticeship levy-funding regime. Governors noted that each of the plan years included a provision for under-achievement of £400,000. Other income was assumed to be subject to 3% inflation except for short courses where a rate of 4% inflation had been used. The planned Employee costs included: all pay increments; a pay award of 1% in each of the plan years; an increase in LGPS employer contributions of 1.8% from August 2019 (cost of £180,000) and an annual increase to TPA contributions of £240,000. The meeting was also reminded that the first plan year would see the benefit of termination of the Whitefriars lease saving £200,000 per annum. The detail of the capital investment programme over the plan years was considered; capital expenditure of £8,945,000 and £3,910,000 was assumed. Inflation of 3% was assumed in relation to non-pay expenditure and non-pay efficiencies were assumed at £200,000 in each Plan Year. Pay efficiency savings of £1,300,000 and £1,800,000 (cumulative) were assumed in the plan years. An apprenticeship levy of 0.5% of salaries (£126,000) was included each year. Governors were pleased to note that cash levels would remain strong at £18,290,000 and £21,278,000 in each of the two plan years. SS confirmed that the health category of the College would remain at 'outstanding' for both plan years. Members commended the

MINUTES

7

very thorough budget and planning process and the clear accompanying narrative. The KPIs for the two plan years were noted as follows:

- KPIs for 2019/20 (and 2020/21):
 - EBITDA: 11% (10%)
 - HCUC staffing as percentage of income at 63% (63%).
 - Cash days in hand at 127.9 (148.3)
 - Current ratio of 2.28 (2.45)

Governors agreed that the budget for 2018/19 showing a return to £761,000 surplus after a planned £445,000 deficit in the current year was a testament to the hard work of the SLT and all College staff post-merger. **The Vice-Chair highlighted the need for the merger costs to be identified separately in the HCUC Financial Statements 2017/18 so that the true operating position of the College could be seen.** [SS to discuss this point with the external auditors.]

The HCUC Budget 2018/19 and Plan 2019/20-2020/21 were APPROVED as presented as recommended by the Resources Committee.

ITEMS FOR INFORMATION (*To be taken as read – questions taken.*)

14. Employer and Partnerships Report

The meeting received an update report on employer engagement and partnership activities for HCUC presented by the Deputy CEO/ Principal Harrow College for the year-to-date 2017/18. This included an update on the Institute for Technology proposals. The meeting commended the range of activities and partnership development work across HCUC - highlights were showcased under the following headings:

- **Employer Activity – Staff/ Student Engagement:**
 - Programme of Study Activity: Governors were pleased to note the wide range of work experience, work placement and volunteering activity that was being undertaken across the two Colleges. There were numerous strong links with employers throughout the group.
 - West Met Skills: The meeting noted that Uxbridge had started delivery on elements of a higher apprenticeship standard with Brunel. Continued representation at the Heathrow Economic Development Group meetings.
- **Partner Organisations:** The meeting noted the partnership work that HCUC was undertaking with Hillingdon and Harrow Clinical Commissioning Group, to develop an online support and counselling service for young people.
- **Institute of Technology (IoT):** Members were reminded that the DfE had now confirmed that HCUC had been successful at Stage 1 of the application process. The aim was to announce IoTs in January 2019. A Steering Group for the proposed IoT had now been set up and would meet in July 2018 and then September 2018 to take the application forward.
- **Activity Supporting Strategic Plan Development:** The meeting noted the work that had been undertaken with the Greater London Authority (GLA), the Association of Colleges (AoC) and the DfE to support the HCUC Strategic Planning process.
 - GLA:
 - Achieved the Mayor of London's Mayoral Construction Academy kite-mark which would enable HCUC to be on an approved provider list held by the GLA. It would also enable the college to apply for targeted construction capital funding and the opportunity to put forward to become a registered hub for construction.
 - AOC: Employment National Policy Group.
 - DfE: HCUC had been successful in its application to start T levels in 3 areas: Digital, Childcare and Construction. Start date planned for September 2019.

The Employer and Partnerships Report was TAKEN AS READ and RECEIVED.

MINUTES

15. Post-merger Action Plan (PMAP)

- **PMAP Update and Risk Register**

The meeting considered an update on the Post Merger Action Plan (PMAP) and the accompanying Risk Register. Governors noted the detail in the PMAP which covered the following areas of post-merger activity: governance, finance, legal and regulatory matters, human resources, quality, curriculum and students, systems development and integration, and marketing and communications. The CEO highlighted the green status of the majority of individual action lines. The remaining actions classified as 'amber' were considered by the meeting: aligning of Financial Regulations and policies; finalise property related forms and submissions; a final review of HC and UC due diligence; roll out the Midland HR system across HCUC; and ensuring that post-merger communications with internal and external stakeholders promoted involvement and understanding of the strategic aims and objectives of HCUC. It was noted that all of these were on track for completion by the end of 2017/18. The Risk Register aligned to the PMAP was considered, this clearly identified the ongoing risks associated with the merger. The meeting was reminded that the ongoing review of the detailed PMAP and the accompanying Risk Register had been led by the Vice-Chair of the Corporation (SC) on behalf of the Corporation in between formal meetings. Governors debated whether this document was still valid moving forward into 2018/19 and whether it should still be a standing item at Governing Body meetings.

The Post Merger Action Plan and Risk Register were RECEIVED.

It was AGREED that the Chair and the CEO should discuss whether and how to continue to monitor the Post-Merger Action Plan.

16. Corporate Goals

- **2017/18 – Update on progress**

The CEO (LS) provided an update on the Uxbridge College's and Harrow College's Corporate Goals YTD achievement. The meeting was reminded that the Corporate Goals and progress against them had been considered separately by the two colleges during 2017/18 until the formal Strategic Plan for HCUC had been finalised; although work had been undertaken during the year to align the Corporate Goals presented for the two Colleges. The 'RAG' rated front summary pages of each Corporate Goals (CG) report were now virtually identical, reflecting the fact that both Harrow and Uxbridge had been working to comparable KPIs for 2017/18. LS highlighted that the RAG rating system flagged up those items on the front page where progress in relation to a particular KPI or performance area had either faltered, prompting mitigating actions (amber rating), or stalled such that full achievement was now not possible (red rating). Governors were reminded that within the body of the CG reports considerable further detail was provided about the amber and red rated items flagged on the cover pages. In addition, some other items within the extended commentaries were flagged as amber or red because progress had not been as expected; a brief explanation was included in the right hand column where this was the case. The meeting noted the summary pages and the following amber and red KPIs were highlighted:

Uxbridge:

- Achieve agency contract value for adults (red)
- WBL levy income (red)
- WBL non-levy income (amber)
- Higher Education (red)
- Non-agency income target (red)
- Success rates: by QAR and age (amber)
- Apprenticeship timely success (amber)
- Lesson observation data 'does not meet expected standard' only (amber)
- Student surveys and feedback (amber)

Harrow:

- Achieve agency contract value for adults (red)
- Achieve 16-18 learner numbers target (red)
- WBL levy income (red)
- WBL non-levy income (amber)

MINUTES

9

- Higher Education (amber)
- Success rates: QAR and SSA (amber)
- Apprenticeship timely success (amber)
- Lesson observation data (amber)
- Attendance (red) against the 86% target
- Work experience and work placements (amber)

The main developmental priority areas for each of the two Colleges were noted by the meeting.

The meeting RECEIVED the Corporate Goals update report.

- **Draft Corporate Goals Guidance and Reporting 2018/19**

The Principal provided an outline of the factors which would determine the development and format of the College Corporate Goals for 2018/19. These were proposed as follows:

Outcomes and SAR progress: The target outcomes, measured against national averages, would remain the same and include success (QAR) rates for all qualification types, SSA success rates, 16-18 and 19+ classroom based QAR rates reported separately, and apprenticeship provision reported both by timely/overall percentage outturn and by age. Retention would continue to be a key in-year indicator when considering the progress of all classroom based provision in 2018/19. In addition, student progression and destinations will continue to be an important KPI, with a target of 94%+ learners achieving a positive destination. The final indicator listed for this section will continue to be in-year progress in delivering the outcomes captured in the College's SAR Quality Improvement Plan 2018/19. The Principal highlighted that targets for attendance at 86% and for work experience at 70%+ remained appropriate for 2018/19.

Teaching, learning and assessment (TL&A): The target Corporate Goals (CG) outcomes listed in the current year would remain relevant for 2018/19. However, increased emphasis would be given to HCUC-wide learning walk style activity, alongside lesson observation activity, in order to both promote high standards in TL&A, and to gauge effectiveness in achieving this high standard on a consistent basis across HCUC. This means that the qualitative feedback provided in the detailed CG commentary and VPs academic reports would assume greater importance in 2018/19, alongside with appropriate external validation arrangements in place to provide assurance to Governors of the robustness of our standards. The SLT would consider how best to capture a robust summary view of TL&A on the front page of the CG reports; after discussion Governors asked that this report should highlight a breakdown of performance within Lesson Observations by learning walks and externally validated observations.

Responsiveness and compliance: The headline CG areas listed for 2017/18 remained relevant for 2018/19: partnership activity (public sector, community, employer and other commercial), health and safety, equality and diversity and safeguarding and Prevent.

Corporate Performance: All of the income areas listed currently remained relevant in 2018/19: achievement of Agency contract values, achievement of learner numbers for 16-18s, apprenticeship income targets, HE income targets and all other non-Agency income. The financial KPIs that contribute to maintenance of the College's 'outstanding' financial profile remained relevant, as did the separate staffing & Human Resources KPIs that Governors monitored with the support of routine HR reports at the Resources Committee.

Governors sought, and were given, a verbal update on the applications for September 2018 enrolment. The meeting noted that applications for 16-18 at UC were down compared with the prior year but internal progression would be strong. The 19+ applications at UC were as expected but HE recruitment might be below target due to increased competition and a poor recruitment to computing. Harrow College had seen an improved position with 16-18 applications (showing an increase of c 200 on the prior year), and their 19+ position was also positive. The meeting was reminded of the flat demographics in the target age group for recruitment and the increased competition from local schools who were offering more vocational courses alongside the now even more academic A level pathway.

The proposed content and guidance for HCUC Corporate Goals reporting 2018/19 was APPROVED as presented.

17. Academic Report

The meeting received a comprehensive report which covered the following: Performance Indicator (PI) tables for HCUC Year-to-date 2017/18; Teaching Learning and Assessment Report; attendance and punctuality data; complaints and disciplinary report; a Higher Education Report; and, a summary report on progress against the Quality Improvement Plans (QIP) 2017/18 for Harrow College (HC), Uxbridge College (UC) and West Met Skills. The Principal confirmed that there was nothing of significance that had changed since this report had been considered in detail at the May 2018 Corporation meeting. In the absence of the two College Vice Principals (DDS and DMcT) the very detailed report was taken as read. ***The Academic Report was TAKEN AS READ and RECEIVED.***

18. Staff Focus Group Summaries 2017/18

The meeting noted the summary feedback from the Staff Focus Groups that had been held in November 2017 for lecturing staff and February 2018 for support staff. In total just fewer than 50 HCUC staff had been involved during the year. The Resources Committee had previously considered detailed reports from these focus groups in November 2017 and March 2018 as well as the resulting action plans to implement any agreed changes. The CEO also highlighted that the feedback from the Staff Focus Groups had been taken to the individual colleges' Stakeholder and Scrutiny Committees.

The meeting expressed surprise that the impact of the merger did not feature more in the staff feedback; this was noted as being due to the timing of the survey groups (outside the period of restructuring). The Staff Governor Harrow suggested that the feedback did not reflect some more negative staff views and suggested that there should be more staff focus groups held to gain a more representative sample of views. Governors confirmed that they needed to hear negative staff feedback as well as positive where it existed. The meeting agreed that the SLT proposal to hold 6 or 8 Staff Focus Groups during 2018/19 was a positive step; this should include a wide mix of staff and should provide an environment which was not overly structured so that staff felt able to contribute negative as well as positive views. Governors were reminded that part of the Focus Groups was for participants to complete an anonymous questionnaire which aimed to elicit their true feelings about working at HCUC.

The Staff Focus Group Feedback Report was NOTED

19. Finance Directorate Report

- ***HCUC Management Accounts, April and May 2018***

The GDFRP presented the composite HCUC management accounts to 31st May 2018. The accounts were taken as read as they had been fully considered during agenda item 13 Draft Budget 2018/19.

The HCUC Management Accounts to 30th April and 31st May 2018 were TAKEN AS READ and RECEIVED

- ***Capital Project Update***

Health & Social Care Building, Weald: The Health and Social Care building had now been in use since November 2017. The meeting noted that there were still a number of snagging items being addressed: water was entering the gas supply and caused the gas condensers, which heat the water and building, to be damaged. These had been repaired by the contractor. Classes had to be relocated to the Gaskell building whilst work was completed but the facility was now fully operational again. Ashe had still not formally submitted their final account; AA Projects had responded to the documents submitted and were developing their Final Statement of Account in order to progress the account. At present, the project was forecast to be within the agreed overall budget. Part of the external works and the demolition of Gaskell had been omitted from their works and would now be completed under the Estate Strategy Enabling Works. Retention was still being held by the College and may be used to settle the account to offset the LADs due from the late completion of the project. The official opening of the building would take place on July 10th, by the Deputy Mayor for London, Jules Pipe (Planning, Regeneration and Skills).

MINUTES

11

LRC Refurbishment, Weald: The meeting was reminded that the College had been successful in its application to the LEAP for funds to refurbish the LRC at Harrow Weald. The completion date was now anticipated to be 18th August 2018. Governors noted that the works had been split into 3 sections in order to progress on a timely basis and enable the procurement to progress. External works – Access road and demolition of Ramsey Building; LRC reconfiguration to incorporate High Needs learning; and, Landscaping works – Demolition of Gaskell building and hard and soft landscaping, including work transferred from the Health and Social Care Building project.

Estates Strategy – Enabling Works: The meeting was reminded that an overall Estate Strategy for both Harrow Campuses was presented to the HCUC Corporation and agreed in May 2018. A series of Enabling Projects were identified which were able to be delivered independently, and released the Newton and Armstrong Buildings to be redeveloped as funding became available. These projects would have an immediate benefit on each of the campuses for both utilisation and the message to the Staff and students that HCUC was investing in the future. The following projects would be delivered for completion by Mid-August/ September 2018 in time for the new enrolment.

Harrow Weald

- Planning Application Newton Building for new Workshops to accommodate the offsite Construction facilities.
- Relocation of the Refectory and associated facilities to the DAC building
- Reconfiguration of the Art Facilities to release ground floor space for the refectory.
- Uplift of Bronte Building with new power operated doors to address DDA and provide future opportunity for access barriers.
- Transfer 3 laboratories and associated prep room to Harrow on the Hill.

Harrow on the Hill

- Enterprise Building– Alteration work to create better space utilisation, creation of new floor space / classrooms. Relocation of the LRC from Armstrong, Principalship and Board room moved to 2nd Floor
- Science laboratories created on ground floor of Sports block, new lift to 1st Floor to provide DDA access to sports
- New External lift to Brunel to provide DDA access to 3 storey Science and 2 storey general teaching areas.
- West Met Training and Marketing relocated to White House to provide an independent facility to address safeguarding and allow dedicated access.

Other Works: The meeting was reminded that HCUC had recently been successful in gaining the Mayors Construction Academy status, and success in the first round of the Institute of Technology application. Further capital would be associated with these projects although the total costs and any grant funding or match funding were not yet known. The meeting noted an outline of major works across HCUC current and upcoming:

- Enabling Works, Harrow. A refurb project costing c£1,000,000 starting April 2018 with completion by September 2018
- Newton Building, Weald. Refurb costing c£3-4 million, start date yet to be confirmed but possibly January 2019 with completion in September 2019
- Institute of Technology, Uxbridge New build costing c£6,500,000, start date of January 2019 with completion in September 2020
- Mayors Construction Academy, Uxbridge. Equipment costing c£364,000. Project starting in April 2019 with completion by July 2019
- Armstrong Building, Harrow on Hill. Refurb project costing c£8,000,000. Timing yet to be confirmed.

- **Risk Management Update**

The GDFRP reported on the Risk Register which detailed the risks mapped to the Strategic Aims of the College. The meeting noted the two separate College Risk Registers which were both now in the format previously used by Uxbridge College: these had the risks aligned to the Corporate Goals of each college.

MINUTES

12

SS reminded the meeting that both of these Risk Registers would continue to be monitored via the individual sub-Committees as well as by the Audit Committee; a combined Risk Register for HCUC would be drafted now the HCUC Strategic Plan was agreed. Governors were given assurance that the Risk Registers were reviewed regularly through HCUC Senior Leadership Team (SLT) and Executive team meetings.

The meeting considered the summary report which highlighted the key risks for members on the Harrow College and Uxbridge College Risk Registers. There had been no significant change since last reported to the Corporation in May 2018. The significant risks in both Colleges all related to difficulties with staff recruitment and achievement of funding:

- Insufficiently qualified and equipped staff to support the delivery of study programmes and quality outcomes for learners
 - Problem areas noted as: Harrow, Health & Social Care and LLDD; and Uxbridge, Business, Health and Social Care, Engineering (ME), Learning Support
- Failure to recruit 16-18 enrolment and AEB income targets.
 - Recruitment to date was noted as:
 - Harrow
 - 16-18 learner numbers actual 1848 v target 1960
 - 19+ funding target £4,334,000: shortfall of £790,000 anticipated
 - Uxbridge
 - 16-18 learner numbers actual 4102 v target 4068
 - 19+ funding target £2,842,000: shortfall of £219,000 anticipated
- WBL 16-18 and 19+ apprentices target not met including in-year variation
 - May – December shortfalls now confirmed
- Underachievement of funding targets – as above
- Additional risks were significant at Uxbridge:
 - Employers not agreeing to the College apprenticeship contract or not signing in a timely manner.
 - Poor learner experience of the College following a drop in learner survey responses.
 - Poor learner behaviour.

- **Merger Costs Update**

SS presented a summary of the actual costs to date compared with the forecast costs of the merger which had been included in the two-college combined forecast 2016/17 and financial plan 2017/18. The actual cost of the merger to date was noted as £1,409,694 against the budget of £917,000 (adverse variance of £492,694).

The meeting noted that instead of a standing report on merger costs an annual report would be presented to Resources Committee and Corporation. It was agreed that moving into 2018/19 the Resources Committee should continue to monitor savings achieved as a result of the merger which would include details from the monthly savings report from Tenet and any additional savings achieved by the HCUC Estates Team.

- **Financial Benchmarking**

The meeting noted a report which presented benchmarking data for 2016/17 prior to the merger of Uxbridge College (UC) and Harrow College (HC); the Colleges were shown separately. Nationally the former UC compared well, being in the top 5 for EBITDA – at 16.5% - which showed the operating surplus achieved as a percentage of income after stripping out depreciation and release of capital grants. Within Greater London UC came through strongly and was in the top five for cash days in hand, cash generated from operations, operating surplus, surplus as a percentage of income, EBITDA and staff training as a percentage of staff costs.

The Finance Directorate Report and HCUC Risk Register was RECEIVED.

ITEMS TO BE TAKEN AS READ**20. Uxbridge College Stakeholder and Scrutiny Committee – 12th June 2018**

The Chair (MRW) highlighted the strong contribution during the first year post-merger which had been made by the very productive working relationship between the two Vice Principals (DMcT and DDS); this had been evident at SSC and also at the HCUC QCS Committee.

The Minutes of this meeting were taken as read.

21. Harrow College Stakeholder and Scrutiny Committee – 13th June 2018

The Minutes of this meeting were taken as read.

22. Resources Committee – 20th June 2018

The following key issues were highlighted by the Chair (AMcL):

- Resources Committee had recommended the Budget 2018/19 to the Corporation
- Final surplus for 2017/18 was ahead of budgeted figure.
- The governors could take comfort in the current strong cash position and 'outstanding' ESFA financial health rating which was forecast to continue for the next 3 years.
- HR Factors: good progress had been made with absence rates and no formal grievances had been received during 2017/18.

The Minutes of this meeting were taken as read.

23. Audit Committee – 27th June 2018

The Minutes of this meeting were taken as read.

24. Search Committee – 15th June 2018

These minutes had already been discussed at item 11 earlier in the meeting.

The Minutes of this meeting were taken as read.

25. Quality Curriculum and Standards Committee – 28th June 2018

The Minutes of this meeting would be circulated once finalised.

26. To confirm the dates and times of the meetings for 2018/19

- Tuesday 25th September 2018 at 5.30pm
- Tuesday 11th December 2018 at 5.30pm
- Tuesday 19th March 2019 at 5.30pm
- Tuesday 14th May 2019 at 5.30pm
- Tuesday 9th July 2019 at 5.30pm

The dates were noted and AGREED as previously discussed in the meeting.

27. Proposals for agenda items at the next Corporation meeting (September 2018)

Members asked for feedback on the HCUC submission to the Office for Students for registration as an Higher Education provider.

There were no other additional items put forward by Members.

ANY OTHER BUSINESS**28. Any other business as previously notified**

- *Structure of Corporation meeting*

The Chair sought feedback on Members' views about taking some items of business as read with questions being taken. He asked anyone who was unhappy with this new format to raise it with him. The

MINUTES

meeting agreed that this enabled the most effective use of Governors' time in the meeting and allowed a fuller discussion to take place around areas of strength or concern.

There was no other business. The meeting closed at 7.40pm.

Signed

Date.....

MINUTES

15

Minute Ref	Action	By who	By when
8	Further consideration to be given to the balance of work/ potential overlap between the SSCs and the QCS Committee	CEO/ SSC chairs/ Clerk	November 2018
	HE assurance to be added to Annual Work Schedule 2017/18 – QCS in November and GB in December	Clerk	September 2018
	Delegated authority for the sign-off of the HE annual assurance statement 2017/18 to be given to the QCS Committee; which could then be signed by the CEO and submitted to meet the December 2018 deadline. The HE assurance and supporting information would be taken to the December 2018 Governing Body meeting for ratification.	SLT QCS Committee	December 2018
12	A 1% cost of living increase to be paid to all HCUC staff (including Senior Post-holders), apart from those on protected salaries, from 1 st August 2018.	HR	1 August 2018
13	Merger costs to be identified separately in the HCUC Financial Statements 2017/18 so that the true operating position of the College could be seen.	GDFRP	November 2018
15	Format for monitoring of PMAP 2018/19 to be agreed	Chair/ Vice-Chair/ CEO	September 2018
27	Result of OfS submission for HCUC registration as HE provider to be reported to Governors	CEO	September 2018 <i>(if known by then)</i>

MINUTES

16